

MARKETS—FINANCE—COMMERCE

GAS OFF TO 843-4 AND BOOM ENDS

Drop of Fourteen Points in a Week Emphasizes Futility of Movement.

STOCK HAS GREAT MERIT

Wall Street Industrial Display Much Strength—Leading Railroads Also Make Gains.

By L. A. FLEMING.

Washington, July 25.—The story is plain, telling of one more futile movement in a good solid investment stock with the end of establishing higher prices, and at a time when every speculative venture was moving at a feverish pace, with money tight and hard to get.

It was an inopportune movement, and it brought only disappointment and left some more spots in its wake.

All of which should not be counted against Washington Gas. The stock is just as good as it was before the spot dividend is paid as sure, its problems to be solved are not likely to affect it in any way. Appearances were not deceiving—they were a true indication to an observer.

Perhaps it's a little better, for there has been considerable exchange of stock above 50 that may call for protection, for this stock has come into strong hands, and it may be that it will be protected—something that no investor in Gas has heretofore undertaken.

There should be no special disappointment on the part of those who wanted to sell at about 50 or better and couldn't. Their holdings will still continue to yield well on the purchase price. It is to be considered first and last as an investment security.

The Washington Herald could find no reason for the boom movement, and said so plainly.

That there were good buying orders, several of them is practically certain, but that the holders did not offer any such business was transacted, is also undoubted.

In the meantime the Gas Company is moving along in its steady way, with the best earnings of its career.

Railway preferred sold at 84.

Strong Stock Market.

Yesterday's market was decidedly strong, practically everything that the market opened with and the damage to the corn crop seemed to operate against any advance, while the shares remained steady, and the rest of the list almost without exception went up.

During the greater part of the session the business movement was slow, bear talk was rife, London did not show much disposition to buy, and there was a better understanding of the better market for bonds and the improved feeling in financial circles—the feeling that the worst was over and that the time of recovery would be the order of the day.

Berlin was weaker and shipping shares were soft on the prospect of a disagreement between the two cities.

Bankers predicted that the strain on the money market should begin to let up in the near future, this sentiment being shared by the London and American financiers. The Bank of England rate of discount remains at 4½ per cent, unusual at this time of the year, and plainly indicating the opinion held by the governors of the institution that money and Berlin are the straining centers.

Strength in Closing.

After the opening the market showed weakness, and eased off 1½ point or a fraction more on the average. In the second hour the action was better, and some recoveries were noted, but in the final hour the market was practically everything.

Industrials were stronger than the railroads.

Copper and Smelter made better than a 1½ gain, the two issues being leaders. Locomotive and Lead 1½ higher, Central Leather 3-4, Colorado Fuel 3-4, Consolidated 1-4, and Southern Railway 1-4. Steel common advanced from 51-12 to 52, and closed at the top.

High Grade Rails.

Reading rose to 161-5, Union Pacific to 161-8, the former 5-8 higher and the latter 1-2 gain. St. Paul was a point better, Rock Island 1-4, Southern Railway 1-4, and Canadian Pacific a point, despite some rather heavy selling earlier in the day. The ticker was over six minutes back of the stock for the first time in weeks. New Haven recovered a point.

Nearly all the trading was speculative, some short covering, and rumors of a syndicate to buy the stock. Little attention was paid to news developments, but advantage was taken of technical positions and traders' efforts were concentrated on advancing certain stocks.

New Haven Financial.

While the bulk of New Haven financial is somewhat suffering, there is a general relief in the financial districts of New York and Boston that this important transportation system has arranged for the weighty problem of funding its floating debt. The existence of a big bulk of \$10,000,000 notes maturing December 1 has long been a source of secret anxiety to the bankers. The very proportions of this unfunded obligation, the position of the New Haven itself, and the possible vicissitudes of this extraordinary financial year have caused no little concern among bankers who have, however, kept their anxiety pretty much to themselves.

Now that a program to take care of the financing of the property has been evolved and bears every prospect of success, it is agreed in many quarters that the cardinal source of weakness in New Haven securities is practically removed.

The new financing will give the New Haven approximately \$20,000,000 new net even after allowing for special loan and the maturity of \$5,000,000 debentures early in 1914. And this new money will, it is believed, carry the system into 1915 without creation of further floating debt or outside financing.

Bankers Worried.

"The morning mail," says the Wall Street Journal, "brings to every one of the national banks with many interior correspondents letters that might be epitomized as follows: Our capital and circulation are \$10,000,000 and we have \$20,000 in government deposits. As security for circulation and government deposits we hold \$10,000,000 2 per cent bonds of the United States. The currency bill has resulted in a depreciation in the value of these bonds and we apprehend further depreciation. We believe that from existing market conditions for the bonds a price of 90 at

least will be reached if the currency bill is enacted in its present form and the banks, withdrawing from the national banking system, place their bonds on the market.

That event we can figure a direct loss of \$10,000,000, representing 50 per cent depreciation from par value of bonds securing circulation and 10 per cent depreciation in bonds securing deposits.

Then in the course of three years we must withdraw the portion of reserve which we are now allowed to keep on deposits with national banks in the reserve and central cities, on which we get 2 per cent interest. That means a loss of \$500 per annum. At the same time we will be obliged to subscribe at least \$10,000,000 and perhaps \$20,000,000 to the stock of a Federal reserve bank, and that stock we can secure dividends no greater than 5 per cent. Probably in the first three years or so there will be no dividends, but that there are dividends of 3 per cent, we then have \$300 a year. On our holdings of government bonds we must charge off to loss at least \$10,000,000.

On the other items we must lose at least \$10,000 a year. How are we going to get that money back? What can we now do, in advance of the enactment of the currency bill, to get even? Above all, what shall we do when our government bonds?

At a regular meeting of the board of directors of Lincoln National Bank held yesterday, Albert S. Gately was elected a director to fill a vacancy.

NEW YORK STOCK MARKET.

Reported by W. B. Hibbs & Co.

Stock	High	Low	Close
Admiral	100	98	99
Am. Can.	100	98	99
Am. Oil	100	98	99
Am. Sugar	100	98	99
Am. Tobacco	100	98	99
Am. Wire	100	98	99
Am. Zinc	100	98	99
Am. Copper	100	98	99
Am. Lead	100	98	99
Am. Tin	100	98	99
Am. Iron	100	98	99
Am. Steel	100	98	99
Am. Coal	100	98	99
Am. Gas	100	98	99
Am. Electric	100	98	99
Am. Telephone	100	98	99
Am. Paper	100	98	99
Am. Textile	100	98	99
Am. Lumber	100	98	99
Am. Shipbuilding	100	98	99
Am. Marine	100	98	99
Am. Navigation	100	98	99
Am. Shipping	100	98	99
Am. Insurance	100	98	99
Am. Banking	100	98	99
Am. Finance	100	98	99
Am. Real Estate	100	98	99
Am. Public Works	100	98	99
Am. Transportation	100	98	99
Am. Communication	100	98	99
Am. Miscellaneous	100	98	99

NEW YORK COTTON.

Reported by W. B. Hibbs & Co.

Month	Open	High	Low	Close
July	11.10	11.15	11.05	11.10
August	11.10	11.15	11.05	11.10
September	11.10	11.15	11.05	11.10
October	11.10	11.15	11.05	11.10
November	11.10	11.15	11.05	11.10
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March	11.10	11.15	11.05	11.10
April	11.10	11.15	11.05	11.10
May	11.10	11.15	11.05	11.10
June	11.10	11.15	11.05	11.10

MISCELLANEOUS BONDS.

Reported by W. B. Hibbs & Co.

Bond	High	Low	Close
U.S. 4s	100	98	99
U.S. 5s	100	98	99
U.S. 6s	100	98	99
U.S. 7s	100	98	99
U.S. 8s	100	98	99
U.S. 9s	100	98	99
U.S. 10s	100	98	99
U.S. 11s	100	98	99
U.S. 12s	100	98	99
U.S. 13s	100	98	99
U.S. 14s	100	98	99
U.S. 15s	100	98	99
U.S. 16s	100	98	99
U.S. 17s	100	98	99
U.S. 18s	100	98	99
U.S. 19s	100	98	99
U.S. 20s	100	98	99

NEW YORK PRODUCE.

Reported by W. B. Hibbs & Co.

Commodity	High	Low	Close
Wheat	100	98	99
Corn	100	98	99
Oats	100	98	99
Rye	100	98	99
Barley	100	98	99
Beans	100	98	99
Peas	100	98	99
Lentils	100	98	99
Flour	100	98	99
Sugar	100	98	99
Coffee	100	98	99
Tea	100	98	99
Cocoa	100	98	99
Spices	100	98	99
Fruits	100	98	99
Vegetables	100	98	99
Meat	100	98	99
Poultry	100	98	99
Eggs	100	98	99
Dairy	100	98	99
Alcohol	100	98	99
Tobacco	100	98	99
Other	100	98	99

WALL STREET GOSSIP

Too many bears and no stock.

Harris Winthrop & Co. bought 2,500 Steel; Baruch Brothers sold 5,000 in all.

Stocks opened earlier on small volume of business. On the decline the tone is good on improved conditions in the corn belt. Amalgamated was active at a fraction under Wednesday's close.

The Merchants' National Bank received \$200,000 gold from Canada.

Bank of England rate unchanged. Consols unchanged. London securities moved irregularly today and markets had a tired appearance. Firms in consols contracted with weakness in home rails, the last being depressed by disappointing dividend declarations. American stocks after rising up, held above parity. The continent contributed virtually nothing toward business, notwithstanding the Balkan peace prospects. Selling pressure against Canadian Pacific was evident. Rio Tinto up 1-4 at 22-1-2.

The price of electrolytic copper has been further advanced to 11 1/2 cents, making a total of 11 1/2 cents per pound. Practically all of the large interests are now quoting at the 11 1/2-cent level, and sales have been made on that basis. The continued buying by Europe is the feature of the situation.

It is rumored that a prominent operator has negotiated a loan of several million dollars for six months, preparatory to undertaking a bull campaign in some of the leading issues.

Baruch houses buying Steel.

The Interstate Commerce Commission has made an order lowering class and commodity rates from Mississippi River crossings to Kansas interior points, unreasonably and unduly discriminatory and reducing class rates in the territory mentioned by 1-2 to 1-3 cents per hundred pounds. The commission says that the case will be held open until October 1, 1914, after which the commodity rates will be decided on the basis of commodity rates to Kansas points not specifically affected by the present order.

Childs—the bond broker says the demand for bonds is greatly improved, and is especially good today. This is another indication that the market will do better.

Baltimore and Ohio sold \$5,000,000 4 per cent bonds that it had in treasury for improvements.

Railroads are protesting against increasing value of parcel post packages and lowering rates, alleging they would lose \$10,000,000 to \$20,000,000 a year.

Grievances of railroad managers said to hold up mediation. Managers will abandon their line of sight grievances, but trainmen will consent to arbitration of none of them.

E. C. Randolph to W. B. Hibbs & Co.—The stock market took on increased strength in a large degree toward the end of the second hour, but the dealings were still professional, the commission houses giving no encouragement to their customers to buy stocks. Possibly a continuation of the advance might prove an incentive to buying which could not be resisted. The feature was the improvement in the bond market. There was an active demand, and prices showed a tendency to improve. Some of the bond brokers said it was the best bond day for a long time past. The Baltimore and Ohio conversion of late had been the recovery of the Reading general, which not long ago sold at 91-1/2, and are now 92-1/2. The Gas advanced to 111, a gain of 1-1/2 points, and Consolidated Gas

NEW YORK COFFEE.

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NEW YORK CUBAN MARKET.

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April	11.10	11.15	11.05	11.10
May	11.10	11.15	11.05	11.10
June	11.10	11.15	11.05	11.10

NEW ORLEANS COTTON.

Reported by W. B. Hibbs & Co.

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U.S. 15s	100	98	99
U.S. 16s	100	98	99
U.S. 17s	100	98	99
U.S. 18s	100	98	99
U.S. 19s	100	98	99
U.S. 20s	100	98	99

CHICAGO PRODUCTS.